



U.S. Senate Committee on Foreign Relations

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United States Senator Joseph R. Biden, Jr.
Opening Statement in the Senate Foreign Relations Committee
Hearings on Iraq: Reconstruction Strategy
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*****Remarks as Prepared for Delivery*****

Today, we will wind down our third week of intensive Iraq hearings. This morning, we will hear from the Administration about its reconstruction strategy in Iraq. This afternoon, we will hear from experts on Iraq's internal political dynamics.

Appearing before the Committee now are Ambassador David Satterfield, Senior Advisor to the Secretary of State and Coordinator for Iraq at the U.S. Department of State, and Brigadier General Michael D. Jones, the Deputy Director for Middle East Political-Military Affairs at the J-5 on the Joint Chiefs of Staff. Both of these men have had long, distinguished careers. Most importantly, they have both also spent a lot of time on the ground in Iraq.

Ambassador Satterfield served for more than a year as the Deputy Chief of Mission in Baghdad. And from June 2003 until March 2005, General Jones served as an Assistant Division Commander to the 1st Cavalry Division. General, I would like to offer you a special word of appreciation for your willingness to appear before us on short notice. In light of that, we understand that you did not have time to prepare a

detailed written statement. And if you get questions today that you would rather answer in writing, that's fine.

To this point, we have failed in our efforts to rebuild Iraq. Three-and-a-half years ago, we held a hearing similar to this one. Ambassador Paul Bremer sat where you are sitting now and told us about the Administration's \$18.4 reconstruction strategy in Iraq. Here is what he said: "*We have a plan with milestones, dates and benchmarks. No one part of this \$87 billion supplemental is dispensable and no part is more important than the others. This is a carefully considered integrated request. This request is urgent. The urgency of military operations is self-evident. The funds for nonmilitary action in Iraq are equally urgent... The link to the safety of our troops is indirect but no less real.*" Mr. Ambassador, General, \$14.7 billion of the "integrated" \$18.4 billion strategy that Ambassador Bremer presented has now been disbursed. And the results are not pretty.

Let me just cite two examples. Before the war began, Iraq pumped an average of about 2.5 million barrels of oil per day. The administration's initial goal was 3.0 million barrels per day, later reduced to 2.5 million barrels per day.

Three-and-a-half years later we have never met even this reduced goal. The average crude oil production last week was only 1.7 million barrels per day, a third less than pre-war levels. Of this total, according to an article in yesterday's Washington Post, 200,000 barrels are siphoned off and smuggled out of Iraq with much of the proceeds ending up fueling Iraq's violence.

Before the war began, Iraq's electricity production was about 4000 megawatt/hours. Ambassador Bremer warned this Committee that unless Congress quickly approved the administration's reconstruction proposal, "*Iraqis face an indefinite period with blackouts eight hours daily.*"

The goal was to raise the level of electricity to 6000 megawatt/hours by July 1, 2004. This month Iraq's electricity production is averaging less than 3,600 megawatt/hours, below pre-war levels. Last week, the average Baghdadi only had 4.4 hours of electricity a day and the average Iraqi only had 7.7 hours of electricity per day. At this point, the eight hours of daily blackouts that Ambassador Bremer warned of would be a dramatic step in the right direction.

The reconstruction efforts have not been a total failure. The Administration is finally moving towards small-bore reconstruction projects. First, General, in my seven trips to Iraq, I've been highly impressed by the Commanders' Emergency Response Program, which you will speak to. This program allows our soldiers to fund low-cost, common-sense projects which can potentially produce big results, such as building wells, buying textbooks or fixing up health clinics. Second, the decision to focus on local capacity development with the Provincial Reconstruction Teams has some promise. Third, USAID's Community Action Program, which partners with communities in determining their own needs, has had impressive results and I hope the program will continue.

I understand the President will ask for an additional \$1.2 billion in reconstruction funds for Iraq. Though in principle, I believe these programs to be vitally important to our efforts in Iraq, I hope that we will hear today concrete details on why these funds will achieve better results than past efforts.

Gentlemen, I again thank you for appearing and I look forward to your testimony.

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